

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

In Re:

Drain Services Inc.,

Bankruptcy No. 23-30352

Chapter 11

Debtor.

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ORDER

On January 22, 2024, Debtor Drain Services Inc. filed a Motion to Approve Compromise of Claim Against State of South Dakota and Its Executive Officer pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure. Doc. 119. Debtor sought the Court's approval of its informal agreement with the State of South Dakota and Michael Houdyshell, the Secretary of the South Dakota Department of Revenue that resolves the Adversary Proceeding (No. 23-7017) Debtor initiated against these Defendants. Debtor served the Motion and Notice. The Court received no objections. Based on the information provided by the Debtor and the documents filed in this case and Adversary Proceeding No. 23-7017, the Court finds that the South Dakota Department of Revenue's guidance on the taxability of Subchapter V Trustee services addresses the issues raised in the adversary proceedings, and Debtor's agreement to accept this guidance as a resolution of its claims is in the best interest of the bankruptcy estate.

IT IS ORDERED that Motion to Approve Compromise of Claim Against State of South Dakota and Its Executive Officer is **GRANTED**. Doc. 119. The compromise outlined in the motion is **APPROVED**.

Dated this 15th day of February, 2024.

/s/ Shon Hastings
Shon Hastings, Judge
United States Bankruptcy Court